

OPTION AGREEMENT AND CONTRACT OF SALE

THIS OPTION AGREEMENT ("Option Agreement") is made as of the last date of execution of this Option Agreement as set forth on the signature page ("Agreement Date"), by and between the **PARKING AUTHORITY OF RIVER CITY, INC.**, a Kentucky non-profit corporation, with its office located at 211 Muhammad Ali Blvd., Louisville, Kentucky 40202 ("PARC"), **LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT**, a Kentucky consolidated local government, acting by and through its **DEPARTMENT OF ECONOMIC GROWTH AND INNOVATION**, with an office located at 444 S. Fifth Street, Suite 600, Louisville, Kentucky 40202 ("City") and the **URBAN RENEWAL AND COMMUNITY DEVELOPMENT AGENCY OF LOUISVILLE**, a public entity, with its principal office located at 444 S. Fifth Street, Suite 500, Louisville, Kentucky 40202 ("Urban Renewal"), (collectively PARC, City and Urban Renewal shall be referred to herein as "Sellers"), and **WEST END BOYS, LLC**, a Kentucky limited liability company with its principal address located at 2349 Millers' Lane, Louisville, Kentucky 40216 ("Buyer").

RECITALS:

WHEREAS, the Sellers own the properties located in Louisville, Kentucky as more particularly described in Exhibit A attached hereto ("Properties"); and

WHEREAS, Buyer desires to obtain an option to acquire the Properties from Sellers to enable it to perform certain investigations to determine the feasibility of developing the Properties as a mixed use commercial development ("Project"); and

WHEREAS, PARC currently has entered into an option agreement with the University of Louisville Foundation, Inc. which is valid until December 31, 2012 with respect to the Main Street Properties, as identified as Parcel E on Exhibit A ("U of L Option"); and

WHEREAS, Sellers, because the Project would create jobs, enhance the tax base of Louisville and further the public purposes of the Sellers, are willing to grant to Buyer an Option to acquire the Properties, subject to the prior rights granted pursuant to the U of L Option with respect to the Main Street Properties, in accordance with the terms and conditions of this Option Agreement; and

WHEREAS, Sellers desire to grant to Buyer, and Buyer desires to obtain from Sellers an option to purchase the Properties for the purposes described in these recitals and to construct the Project in accordance with the terms of the Development Agreement as defined in Section 16 hereof, and in accordance with the terms and conditions of this Option Agreement; and

AGREEMENT:

NOW, THEREFORE, in consideration of the premises, the Option Consideration, the mutual promises, covenants and agreements hereinafter set forth and for other good and valuable consideration, the mutuality, receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows.

1. **Grant of Option.** In consideration of the "Option Consideration", as defined in Section 2, Sellers agree to grant to Buyer an option to purchase the Properties for a period of twelve (12) months from the Agreement Date upon the terms and conditions of this Option Agreement ("First Option Term"), which Option shall be renewable any time prior to the

expiration of the First Option Period, by written notice from Buyer to Sellers for an additional period of twelve (12) months from the end of the First Option Period ("Second Option Term"), in accordance with the terms and conditions of this Option Agreement. During the First Option Term and the Second Option Term, if extended, Buyer shall present a detailed written report to Sellers, no less often than quarterly, which shall describe the activities taken with respect to the Project by Buyer.

2. **Option Consideration.** The consideration for the First Option Term shall be \$5,000.00, payable as of the Agreement Date and the consideration for the Second Option Term shall be \$100,000.00, payable on or before the termination of the First Option Term (collectively the First Option Term and the Second Option Term shall be referred to as the "Option Term").

3. **Exercise of Option.** Buyer may exercise the Option at any time during the Option Term in its sole and absolute discretion, provided that Buyer and Sellers have agreed on the terms of the Development Agreement pursuant to Section 16 of the Option Agreement. Buyer shall deliver written notice to Sellers ("Notice") of its intention to exercise the Option and shall specify in the Notice a date of closing on the purchase of the Properties ("Closing"), which date shall not be more than six (6) months from the date of the Notice. On the date of the Notice this Option Agreement shall be deemed to be a legally binding contract of purchase and sale of the Properties between Sellers and Buyer, enforceable in accordance with its terms.

4. **Purchase Price.**

a) The parties acknowledge that the Properties were appraised by a mutually acceptable appraiser, the Allgeier Company, and pursuant to the Summary Appraisal Report, dated August 22, 2012, (summary thereof attached as Exhibit B), the fair market value of the

entirety of the Properties was established as being \$8,157,000 ("Properties FMV"). Notwithstanding the Properties FMV, the Sellers are willing to sell the Properties to Buyer for a purchase price below the Properties FMV dependent upon the scale of the Project. The Purchase Price for the Properties ("Purchase Price") shall be determined as follows:

1) If Total Project Costs (as defined below) exceed \$200 million, the Purchase Price shall be \$1.00;

2) If Total Project Costs are less than \$200,000,000.00 (two hundred million dollars), but greater than \$100,000,000.00 (one hundred million dollars), the Purchase Price shall be \$3,000,000 (three million dollars); and

3) If Total Project Costs are less than \$100,000,000.00 (one hundred million dollars), the Purchase Price shall be \$8,000,000.00 (eight million dollars), if the purchase includes the Main Street Properties and \$6,000,000.00 (six million dollars) if the purchase does not include the Main Street Properties.

b) Total Project Costs as used in this Section shall include all actual costs incurred by Buyer to design and construct the Project, including the costs of land acquisition as well as the costs incurred by Museum Plaza, LLC (a member of Buyer) in preparing the land for development which costs equals \$ are at least \$30,000,000.00 ("Museum Plaza Costs"), but shall not include financing costs. *OMC*

c) Upon the exercise of the Option, Buyer shall commence submitting to Sellers a report which shall describe the progress made, as of the date of the report, by Buyer on the

design and construction of the Project ("Progress Report") and documentation evidencing the actual expenditures incurred by Buyer with respect to Total Project Costs ("Project Costs Report"). The Progress Report and Project Costs Report shall be submitted quarterly until completion of construction of the Project. The Project Costs report shall include documentation supporting each expenditure, including, but not limited to, contracts, invoices, payment applications, cancelled checks and credit card receipts. Buyer agrees to retain for a period of not fewer than five years from the date of completion of construction of the Project complete and accurate records of all the Buyer's costs which constitute Total Project Costs. Sellers shall have the right, at any reasonable time, upon reasonable notice, to inspect and audit those records by authorized representatives of its own or any public accounting firm selected by it.

d) If actual documented Project Costs do not equal the threshold upon which the Purchase Price was determined in paragraph a. of this Section, Buyer shall pay to Sellers an additional amount equal to the difference between the Purchase Price paid at the Closing and the Purchase Price which is payable in accordance with paragraph a. of this Section based upon the Project Costs actually expended.

e) If the Option is exercised, the Option Consideration shall be credited against the Purchase Price.

5. Entry upon Properties. During the Option Term and, if Buyer exercises the Option, up to the Closing, Buyer, as well as prospective tenants of the Project, and their respective officers, employees, engineers, surveyors and other agents and assigns, shall have, and

are hereby granted by Sellers, the right to enter upon the Properties from time to time for the purpose of inspecting, testing, making surveys, conducting test borings and other surface or subsurface soil tests, and making such other reasonable observations and inspections of the Properties as are deemed necessary or appropriate by Buyer ("Investigations"). The Investigations shall be done in a manner that causes the least possible disturbance to the possession of the Sellers. During the course of the Investigations, Buyer shall not permit or create any unsafe or dangerous condition on the Properties.

If the Option is not exercised, Buyer shall compensate Sellers for any damage or injury that arise out of or are caused by the Investigations. If the Option is exercised, Seller waives and releases any and all claims for such damages.

6. **Indemnification.** The Buyer shall indemnify, hold harmless, and defend the Sellers, their elected and appointed officers, employees, agents and successors in interest from all claims, damages, losses and expenses including attorneys' fees, arising out of or resulting, directly or indirectly, from the Buyer's (or Buyer's Subcontractors, if any) performance or breach of the Option Agreement, provided that such claim, damage, loss, or expense is: (1) not due to a pre-existing condition (2) attributable to personal injury, bodily injury, sickness, death, or to injury to or destruction of property, including the loss of use resulting therefrom, or breach of the terms of this Option Agreement and (3) not caused by the willful misconduct of the Sellers or their employees acting within the scope of their employment. This Hold Harmless and Indemnification Clause shall in no way be limited by any financial responsibility or insurance requirements and shall survive the termination of this Option Agreement. If any action or proceeding is taken or brought against Sellers by any third party by reason of any of the

foregoing acts for which Sellers are indemnified ("Third Party Claims"), Buyer shall, upon receipt of notice of such Third Party Claims, take necessary and appropriate action to protect Sellers' interests with regard to such Third Party Claims. Buyer shall, at all times, have the right to direct the defense of, including, without limitation, the hiring of counsel, and to accept or reject any offer to settle, any Third Party Claims, provided that Buyer pays the costs of any such settlement, that Sellers are not required to admit any liability with respect to such Third Party Claims and that Sellers are fully released from any such Third Party Claims.

7. **Assignment of Option Agreement.** Buyer may not assign this Option Agreement without the prior written consent of Sellers, which consent shall not be unreasonably withheld.

8. **Representations and Warranties of Seller.** Sellers each hereby represent and warrant to Buyer as follows, which representations and warranties shall be automatically deemed to be restated as of the Closing, and all of which shall survive the execution and the delivery of Special Warranty Deeds (the "Deeds") by Sellers to their respective properties to Buyer and the recordation thereof:

a. The U of L Option for the Main Street Properties, valid until December 31, 2012, shall not be extended nor offered to another by Sellers without the prior approval of Buyer.

b. Each Seller has, and at the Closing will have, good, fee simple, marketable title to its respective properties, free and clear of all covenants, conditions, restrictions, easements, liens, leases, charges, mortgages and encumbrances of every nature, kind or character whatsoever, except for the Permitted Exceptions, as such term is defined in Section 11 and,

consistent with Section 11, Buyer may select a title insurance company ("Title Company") to insure the title to the Properties upon delivery of the Deeds to Buyer, which title insurance shall be pursuant to a standard ALTA Policy (Form B) at standard rates, in an amount equal to the lesser of the Purchase Price or the fair market value of the Properties, and without any exceptions whatsoever, except for the Permitted Exceptions.

c. No Seller is aware of any condemnation or similar proceeding which is pending or threatened against its respective Properties or any part thereof, nor is any Seller aware of any governmental plans to appropriate or purchase its respective Properties or any part thereof, other than the U of L Option.

d. Each Seller makes no warranties with respect to its respective Properties except those specifically set out in this Option Agreement and Buyer shall accept the Properties AS IS.

e. No Seller has received any notification from any governmental agency, authority or instrumentality of any pending or threatened assessments on or against its respective Properties to secure the cost of public improvements made or to be made with respect to the Properties or any part thereof, other than assessments of the Louisville Downtown Management District.

f. This Option Agreement has been executed and delivered by the representatives of each Seller duly authorized to do so.

g. Time is of the essence of this Option Agreement.

9. Environmental Condition of Properties.

a. Sellers make no warranties concerning the environmental condition of the Properties, or the existence or nonexistence of Hazardous Materials (as hereinafter described) in, on or under the Properties.

b. Buyer shall be solely responsible for performing any testing, assessments or other examinations to determine whether Hazardous Materials are present in, on or under the Properties if it exercises the Option ("Environmental Testing"). If the Environmental Testing determines that contamination of the Properties by any Hazardous Material has occurred and Buyer is required by the Commonwealth of Kentucky Cabinet for Natural Resources and Environmental Protection ("Cabinet") to remove such Hazardous Material from the Properties or otherwise remediate or manage such Hazardous Material ("Remedial Measures"), the costs of the Remedial Measures shall be the sole responsibility of Buyer. Sellers agree to assist Buyer in any negotiations with the Cabinet concerning the removal, remediation or management of Hazardous Material and further agree to use their best efforts to enable Buyer to expeditiously obtain all necessary approvals from the Cabinet. As used herein, the term "Hazardous Material" means any hazardous or toxic substance, material or waste which is or becomes regulated by any applicable federal, state or local governmental agency or authority. The term "Hazardous Material" includes, without limitation, any material or substance which is (i) petroleum, (ii) asbestos, (iii) designated as a "hazardous substance" pursuant to Section 311 of the Federal Water Pollution Control Act (33 USC Section 1317), (iv) defined as a "hazardous waste" pursuant to Section 1004 of the Federal Resource Conservation and Recover Act (42 USC Section 6903), (v) defined as a "hazardous substance" pursuant to Section 101(14) of the Comprehensive Environmental

Response Compensation and Liability Act ("CERCLA") (42 USC Section 9601) or (vi) defined as a "pollutant" or "contaminant" pursuant to Section 101(33) of CERCLA.

10. Covenants of Sellers Prior to the Closing. Sellers hereby covenant with Buyer that, from and after the Agreement Date and through the earlier of the date of expiration or other termination of the Option Term or the date of Closing, as applicable, no Seller shall:

a. Sell, grant, convey, mortgage, encumber or dispose of the Properties or any part thereof or the improvements located thereon or the appurtenances thereunto belonging, except for the rights granted pursuant to the U of L Option with respect to the Main Street Properties and except that Sellers may enter into an option agreement with another party for all or a portion of the Properties provided (i) that such option is contingent upon the expiration or termination of the Option Term and (ii) Buyer has no commercially reasonable objection to Sellers entering into such option.

b. Allow any defects, liens, adverse claims, demands or encumbrances of any nature, kind or character to be asserted against the Properties or any part thereof, other than Permitted Exceptions and the lien of property taxes and assessments not yet due.

c. Grant any easement, license or right-of-way in, to or through the Properties or any part thereof which cannot be terminated as of the Closing Date.

d. Neither create nor allow to be created, any condition, restriction of covenant of any kind, character or nature whatsoever with respect to the Properties.

e. Seek any change in the zoning of the Properties without the prior consent of the Buyer.

11. **Survey; Title Commitment; Permitted Exceptions.** Buyer, at its sole expense, may obtain an ALTA survey of the Properties prepared and duly certified to Buyer by a licensed land surveyor. Buyer may obtain, at its sole cost and expense, an owner's title insurance commitment with respect to the Properties. The following items shall be deemed to be permitted title exceptions (hereinafter referred to as the "Permitted Exceptions"):

i. All ad valorem property taxes and assessments on the Properties, if any, not yet due and payable;

ii. Matters shown on a survey which would not materially and adversely affect Buyer's use and enjoyment of the Properties.

iii. Such other matters acceptable to Buyer.

12. **Buyer's and Sellers' Closing and Other Obligations.**

a. **Sellers' Obligations.** At the Closing, each Seller shall deliver to Buyer the following with respect to its respective properties:

i. A special warranty deed, conveying an unencumbered, good, marketable, fee simple title to its respective Properties to Buyer, without any exceptions, except for the Permitted Exceptions. The Deed shall be in proper form for recordation, duly executed by the Seller, with the signature of the Seller duly acknowledged in the appropriate place.

ii. An Affidavit, executed by the Seller under the penalty of perjury, which complies with Section 1445 of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

iii. An affidavit of the Seller in form reasonably acceptable to Buyer sufficient to enable the Title Company to insure over any exception for mechanics liens or parties in possession.

iv. The Development Agreement referred to in Section 16 of this Agreement executed on behalf of the Seller.

b. Buyer's Obligations.

At the Closing, Buyer shall deliver to each Seller:

i. The Purchase Price as specified in Section 4; and

ii. The Development Agreement referred to in Section 16, executed by the Buyer.

iii. If Buyer is other than a natural person, a copy, certified by a duly authorized representative of Buyer, of the resolutions of Buyer authorizing the acquisition of the Properties pursuant to this Option Agreement and the Development Agreement.

13. Conditions to Closing. No party shall be obligated to close on the sale of the Properties unless the following conditions have been satisfied:

a. Sellers and Buyer shall have complied with their respective obligations pursuant to Section 12 of this Option Agreement; and

b. Buyer and Sellers shall have executed a Development Agreement as provided in Section 16 of this Option Agreement.

c. Sellers and Buyer shall have determined the Purchase Price in accordance with Section 4 of this Option Agreement.

14. Default by Sellers or Buyer.

a. **Default by Sellers.** In the event that Buyer shall exercise the Option, and Sellers, prior to Closing, fail to comply with any of their duties and obligations provided hereunder, Buyer shall, as its sole remedy, receive a return of the Option Consideration, as well as Buyers' reasonable documented out of pocket costs and expenses directly related to the Project, but not including the Museum Plaza Costs, which were incurred prior to Buyer becoming aware of Sellers' failure to comply with any of its duties and obligations, as liquidated damages; and in which event this Option Agreement shall be canceled.

b. **Default by Buyer.** In the event that Buyer shall exercise the Option, and, prior to Closing, Buyer fails to comply with any of its duties and obligations provided hereunder, Sellers, as Sellers' exclusive remedy, except for any indemnification obligations of Buyer hereunder that by their terms survive cancellation of this Option Agreement, shall be entitled to retain the Option Consideration as liquidated damages, and this Option Agreement shall be canceled.

15. Risk of Loss; Condemnation or Destruction Prior to Closing. The risk of condemnation, destruction or damages to all or any part of the Properties until the Closing shall be upon Sellers. If all or any part of the Properties shall be condemned, destroyed or damaged at any time prior to the Closing, or if any notice of condemnation shall be given at any time prior to the Closing, Sellers shall immediately give notice to Buyer specifying in detail such condemnation, destruction or damage. After Buyer's receipt of notice that a portion of the Properties have been condemned, destroyed or damaged, Buyer may, at its sole discretion, regardless of whether Buyer has exercised the Option, either (i) terminate this Option Agreement, whereupon Buyer shall be relieved of all obligations contained herein and shall have the Option Consideration returned to it by Sellers; or (ii) permit this Option Agreement to remain in full force and effect as herein provided, or otherwise proceed with the Closing as herein provided.

16. Development Agreement. Prior to Closing, Buyer and Sellers shall enter into a binding development agreement establishing the terms and conditions for the development of the Properties and the construction of the Project ("Development Agreement"). At a minimum, the Development Agreement shall contain, in pertinent part, the following provisions:

a. A description, in reasonable detail, of the Project which shall include, but not be limited to:

- 1) The size in square feet and height and number of floors of the building or buildings to be constructed.
- 2) A site plan illustrating the location of the building or buildings to be constructed.

3) An alternative traffic plan if any of the public ways through or adjacent to the Properties are to be closed, either temporarily or permanently.

b. A detailed schedule for construction of the Project, including phasing if the Project is to be constructed in multiple phases.

c. A detailed budget for the Project.

d. A detailed financial plan for funding the Project, including equity, debt, proposed city contribution, if any, tax increments or other sources of funds.

e. A requirement that Buyer, prior to commencing construction, submit preliminary plans for the Project to the Louisville/Jefferson County Metro Government Economic Growth and Innovation Department ("EGI") for approval, including design review and approval, in accordance with its customary requirements, which approval EGI will process in a manner consistent with the schedule for construction of the Project.

f. A pledge of nondiscrimination in hiring, construction, occupancy and use of the Project.

g. A pledge by Buyer that it shall use its best efforts to have its contractor constructing the Project to utilize a certain minimum percentage of minority, female and local subcontractors and suppliers.

h. The closing on the sale of the Properties to Buyer from Sellers shall be conditioned upon Buyer presenting evidence satisfactory to Sellers that it has obtained binding

commitments for project financing in an amount sufficient to construct the entire Project or a substantial phase of the Project, if Buyer intends to construct the Project in one or more phases.

i. Such other provisions usually and customarily contained in development agreements of the Sellers.

j. A requirement that Buyer demonstrate to EGI's reasonable satisfaction that the Project's construction will be underway within one (1) year of Closing. In the event the Project fails to commence within one year of Closing, Buyer upon notice from Sellers given at any time thereafter shall reconvey the Properties to Sellers for an amount equal to the Purchase Price.

k. A requirement that the City provides Buyer with an easement for reasonable pedestrian and vehicular traffic over Fort Nelson Park and the floodwall on the conditions that (i) Buyer redevelops Fort Nelson Park and the means of ingress and egress in a manner satisfactory to the City and (ii) the Metropolitan Sewer District approves any changes to the floodwall or any construction over or adjacent to the floodwall.

l. A provision providing that in the event Buyer sells all or a portion of the completed Project, it agrees to pay to the Sellers a percentage of the proceeds it receives from the sale of the Project equal to the percentage the Properties FMV is to the sales price for the Project ("Sellers' Share"), but in no event shall the Sellers' Share exceed the lesser of (i) the Properties FMV or (ii) 50% of the Net Sales Price. Net Sales Price shall be defined as the difference between the Total Project Costs or portion thereof and the price for which the Project or portion thereof is sold.

17. **Miscellaneous.**

a. **Notices.** All notices, elections, consents, requests, demands and other communications hereunder shall be in writing and shall be personally delivered or sent by express courier service or by first class United States mail, postage prepaid, addressed to the parties as follows, or by facsimile to the phone numbers indicated (or to such other person or place or facsimile of which either party hereto shall have given written notice to the other):

If to Buyer: West End Boys, LLC
2349 Millers' Lane
Louisville, Kentucky 40216
502.639.5064
Attn: Lacey Smith

Copy to: _____

If to Sellers: PARC
Parking Authority of River City, Inc.
211 W. Muhammad Ali Blvd.
Louisville, KY 40202
502.574.4174
Attn: Cathy Duncan

CITY
Economic Growth and Innovation Department
444 South Fifth Street, Suite 600
Louisville, Kentucky 40202
502.574.4140
Attn: Director

and

URBAN RENEWAL

Urban Renewal and Community Development Agency
444 S. Fifth Street, Suite 500
Louisville, KY 40202
502.574.2321
Attn: Paul Mastrolia

Copy to: Jefferson County Attorney
531 Court Place
Suite 900
Louisville, Kentucky 40202
Attn: John A. Wilmes
502.574-3348

All such notices, elections, requests, demands and other communications shall be deemed to have been given when actually delivered or two (2) business days after having been deposited in the United States mails in accordance with the foregoing, except that facsimiles shall be deemed given on the date received by the recipient.

b. **Binding Agreement.** This Option Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective permitted successors and assigns.

c. **Authorization of Buyer and Sellers.** Each representative of Buyer executing this Option Agreement hereby represents and warrants to Sellers, and each representative of Sellers executing this Option Agreement hereby represents and warrants to Buyer, that they each, respectively, have been duly authorized and directed to execute and deliver this Option Agreement.

d. **Entire Agreement.** This Option Agreement constitutes the entire agreement of the parties hereto pertaining to its subject matter, and supersedes all prior or

contemporaneous agreements, undertakings and understandings of the parties in connection with the subject matter hereof.

e. **Governing Law.** This Option Agreement has been made, delivered and is intended to be performed in the Commonwealth of Kentucky and shall be construed and enforced in accordance with the laws of such Commonwealth. If any provision of this Option Agreement or the application thereof to any person or in any circumstance shall be invalid or unenforceable to any extent, the remainder of this Option Agreement and the application of such provision to other persons or in other circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

f. **Headings.** In the event of any inconsistency between the section headings and captions in this Option Agreement and the provisions hereof, the provisions shall control.

g. **Commissions.** Sellers and Buyer hereby represent and warrant that there are no commissions or brokerage fees now due or hereafter to become due in connection with the sale of the Properties to Buyer. Buyer and Sellers shall each indemnify and hold the other harmless from and against any and all claims, liabilities, costs and expenses, including, without limitation, reasonable attorney's fees, incurred by the other as a result of any claims that may be made against the other by any person claiming a commission, brokerage fee or other compensation from the other in consequence of the transactions evidenced by this Option Agreement.

h. **Interpretation.** No provision of this Option Agreement shall be construed against or interpreted to the disadvantage of either Buyer or Sellers by any court or

other governmental or judicial authority by reason of such party having or deemed to have structured or dictated such provision.


[INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the duly authorized representatives of the Sellers and the Buyer have executed this Option Agreement.

SELLERS:


Parking Authority of River City, Inc.

Dated: 11/22/12

By: 
Ted Smith
Chairman

**Louisville/Jefferson County Metro
Government**

Dated: 1/2/13

By: 
Greg Fischer, Mayor

**Urban Renewal and Community
Development Agency**

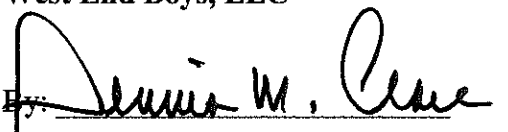
Dated: 12/3/12

By: 
Chairman

BUYER:

West End Boys, LLC

Dated: _____

By: 
Title: Managing Member

Approved as to form:

A handwritten signature in dark ink, appearing to read "John A. Wilmes", is written over a horizontal line.

JOHN A. WILMES

Assistant Jefferson County Attorney

531 Court Place

Suite 900

Louisville, KY 40202

(502) 574-3348

EXHIBIT A

Properties

[See next page]



Exhibit A



PROPERTIES
TRACT A

Beginning of the Northwest corner of 8th & Nelson (formerly Ormsby) Street and running thence North with the West line of 8th Street, 45.49 feet; thence West and parallel with the center line of the Flood Protection Structure, 143.61 feet; thence North 20 degrees 03 minutes 26 seconds West, parallel to and distant 40 feet from the center line of the Flood Protection Structure, 45.59 feet to the South line of a former 12 foot alley, thence West with same, 45.2 feet to the line of J.I. and L.A. Goulk; thence South with same, 84 feet to Nelson Street; thence East with the North line of Nelson Street, 210 feet to the beginning; to the beginning; LESS AND EXCEPT that portion of the property conveyed to the Commonwealth of Kentucky by deed recorded in Deed Book 4418, page 110, in the Office of the Clerk of Jefferson County, Kentucky.

Being the same property conveyed to the City of Louisville, by Deed dated June 6, 1947, recorded in Deed Book 2245, Page 343, in the Office of the Clerk of Jefferson County, Kentucky; less and except the conveyance in Deed Book 4418, page 110, said records.

PROPERTIES TRACT B

BEGINNING at a set iron pin with cap stamped "WINK 3492" at the intersection of the east right of way line of 8th Street with the north right of way line of Washington Street as established by Revised Dedication Plat of Washington Street Extension by plat of record, Plat Book 31, Page 81, of record in the Office of the Clerk of Jefferson County, Kentucky; thence with the east line of 8th Street North 08 degrees 54 minutes 23 seconds East, 63.61 feet to a set iron pin with cap stamped "WINK 3492" in the south right of way line of Interstate 64; thence along said south right of way line of Interstate 64 North 82 degrees 40 minutes 15 seconds East, 39.72 feet to a set pin with cap stamped "WINK 3492"; thence North 83 degrees 18 minutes 23 seconds West, 396.28 feet to a set iron pin with cap stamped "WINK 3492" in the west right of way line of 7th Street; thence leaving said south right of way line of Interstate 64 with said west right of way line of 7th Street South 08 degrees 52 minutes 57 seconds West, 48.89 feet to a set iron pin with cap stamped "WINK 3492"; thence leaving said west right of way line of 7th Street South 85 degrees 49 minutes 33 seconds West, 240.87 feet to a set x-cut in concrete; thence South 86 degrees 03 minutes 37 seconds West, 6.45 feet to a set iron pin with cap stamped "WINK 3492"; thence South 09 degrees 20 minutes 11 seconds West, 89.87 feet to a set iron pin with cap stamped "WINK 3492" in the north right of way line of aforesaid Washington Street; thence along the north right of way line of Washington Street North 81 degrees 08 minutes 34 seconds West, 30.54 feet to a set iron pin with cap stamped "WINK 3492"; thence along the arc of a curve to the right with a radius of 393.75 feet chord being North 78 degrees 05 minutes 04 seconds West, 42.02 feet to a set iron pin with cap stamped "WINK 3492"; thence North 75 degrees 01 minutes 33 seconds West, 106.35 feet to the point of BEGINNING, containing 27,857.95 Square Feet.

Being part of the property conveyed to Urban Renewal and Community Development Agency of Louisville by deed dated September 22, 1969, recorded in Deed Book 4307, Page 494, in the Office of the Clerk of Jefferson County, Kentucky.

PROPERTIES TRACT C

Being Lot One (1) as shown on the revised dedication Plat of Washington Street extension, a plat of which is on record in Plat and Subdivision Book 31, Page 81 in the Office of the Clerk of Jefferson County, Kentucky.

Being part of the same property (Tract 5) conveyed to the City of Louisville (now known as Louisville/Jefferson County Metro Government by merger with the City of Louisville) by Deed dated October 29, 1975, recorded in Deed Book 4828, Page 741 (as to one-half interest) and the property conveyed to the City of Louisville (now known as Louisville/Jefferson County Metro Government by merger with the City of Louisville) by Deed dated September 23, 1977, recorded in Deed Book 4964, Page 197, (as to one-half interest) all in the Office of the Clerk of Jefferson County, Kentucky.

PROPERTIES TRACT D

Being all of Tract 2 as shown on the Minor Subdivision Plat approved by the Louisville Metro Planning Commission on December 12, 2007 bearing Docket #9559, attached hereto and made a part hereof.

Being part of the property conveyed to The City of Louisville Parking Authority of River City (PARC), Inc., by Deed dated May 23, 2001, recorded in Deed Book 7653, Page 421, and by Deed dated May 20, 2004, recorded in Deed Book 8416, Page 450, as corrected by Affidavit in Aid of Title recorded in Deed Book 8423, Page 760, as consolidated by Deed of Consolidation dated June 8, 2004, recorded in Deed Book 8427, Page 560, in the Office of the Clerk of Jefferson County, Kentucky.

1-64 OVERHEAD
ROAD R/W VARIES
Asphalt
Asphalt

LAND SURVEYOR'S CERTIFICATE

~~LAND SURVEYOR~~
Kentucky Land Surveyor No. 2747

STATE OF KENTUCKY
C. BRUCE
SMOOK
2747
LICENSED
PROFESSIONAL
LAND SURVEYOR

A title examination may reveal roads and easements of record not shown hereon.

SIXTH STREET 60' R/W VARIES

0.936 ACRES

N 81°30'1" E
20.98' —
N 81°03' E
20.92'

S 41°11' E
16.59'

Asphalt
Access To
Tract 2

TRACT 1
1.877 ACRES

MUHAMMAD, ALI
CENTER &
PARKING GARAGE

Access To Troct 1

1" = 80'
SCALE
0° 40' 80'

Location Map

I-64 / RIVER RD.

9TH ST.

8TH ST.

7TH ST.

6TH ST.

MARKET ST.

MAIN ST.

WASHINGTON ST.

SITE

CERTIFICATE OF APPROVAL
Approved this 12 day of Dec., 2007.
Invalid if not recorded before this date: 12/12/08

By [Signature]
Louisville Metro Planning Commission

Approval subject to attached Certificates.

Special requirement(s): N/A

Docket No. 9537

PURPOSE: Create two tracts from one

For Quest

401 West Main Street, Suite 500

Louisville, KY 40202
PHONE (502)584-4118 FAX (502)589-3009

CITY OF LOUISVILLE PARKING
AUTHORITY OF RIVER CITY
114 NORTH 6TH STREET

D.B. 7030 P. 952, D.B. 7653 P. 421 &
D.B. 8423 P. 760

D.B. 8423 P. 76C

LOT 54 BLOCK 15D
ZONING: C-3 FORM DISTRICT: DOWNTOWN

Date: 12-03-07 Job. #06278/57202

955A

STANDARD CERTIFICATE FORM

CERTIFICATE OF OWNERSHIP AND DEDICATION

This is to certify that the undersigned is the owner of the land shown on this plat and hereby acknowledges the same to be the plat of CITY OF LOUISVILLE PARKING
AUTHORITY D.B. 7030 P. 952, D.B. 7653 P. 421 & D.B. 8423 P. 760

[Fill in the owner's name(s) and deed book(s) and Page(s)]

and does hereby dedicate to public use _____ shown thereon.

C. Bruce Traugher
Owner(s) Signature

444 South Fifth Street, Suite 600
Address Covington, KY 40202

President
Title

ZONING CERTIFICATE

With the exception of those existing encroachments which are not affected by the actions of this plat and are noted hereon, I/We hereby certify all of the lots of this minor subdivision and any existing buildings and improvements thereon and/or any building and improvements included in a building permit either applied for or approved thereon are in compliance with all the provisions of the Form District Regulation. With the exception of those encroachments noted on the face of the plat, any such buildings or improvements not in compliance with the Form District Regulations have been granted all necessary variances by the Board of Zoning Adjustment as described in Docket No. _____ or documentation of the existence of the buildings or improvements prior to the adoption of the applicable regulations has been submitted to Planning Commission staff.

C. Bruce Traugher
Owner(s) Signature

CERTIFICATE OF ACKNOWLEDGEMENT

State of Kentucky)
County of Jefferson) SS

I, Kurt Hummel, a Notary Public in and for the
County aforesaid do hereby certify that the foregoing plat of CITY OF LOUISVILLE PARKING
AUTHORITY D.B. 7030 P. 952, D.B. 7653 P. 421 & D.B. 8423 P. 760 was this day
(Fill in the owner's name(s) and deed book(s) and Page(s))
presented to me by C. Bruce Traugher known to me, who executed
Certificates in my presence and acknowledges it to be his free act and deed.
[her, his, their]

Witness my hand and seal this 21st day of November, 2007.
My Commission expires: 18th day of May, 2008.

K. Hummel
Notary Public

9559

METROPOLITAN SEWER DISTRICT REVIEW

This plat has been reviewed for storm drainage and sanitary sewer related issues and the Metropolitan Sewer District has no objection to the plat. However, this review does not constitute any form of construction approval for work on this site.

PJB Storm Drainage Review 12/12/07
Date

EXIST. MSD SEWERS AVAIL.
Sanitary Drainage Review DATE
BY PSC; SUBJECT TO FEES

INSPECTIONS, PERMITS & LICENSES APPROVAL	
MINOR PLAT	
BY: <u>[Signature]</u>	
DATE: <u>12/12/07</u>	

TRANSPORTATION APPROVAL	
MINOR PLAT	
BY: <u>[Signature]</u>	
DATE: <u>12/11/07</u>	

PROPERTIES TRACT E

f

New Legal Description:

BEGINNING at a point in the north line of West Main Street at the centerline of a party wall as described in Deed Book 7026, Page 891 of record in the Office of the Clerk of Jefferson County, Kentucky, and being 148.83 feet from the west line of North 6th Street; thence with said north line North 81 degrees 08 minutes 34 seconds West, 62.42 feet to a point; thence leaving said north line North 08 degrees 47 minutes 18 seconds East, 180.00 feet to a point in the south line of West Washington Street; thence with said south line South 81 degrees 08 minutes 35 seconds East, 63.09 feet to a point in aforesaid party wall; thence leaving said south line with the centerline of said party wall South 09 degrees 00 minutes 05 seconds West, 180.00 feet to the point of BEGINNING, containing 11,097.51 Square Feet, more or less.

Also being Tract 1 of the property described in Deed Book 7653, Page 421 as follows:

Beginning at a point in the north line of Main Street North 81 degrees to 09 minutes 59 seconds West 148.83 feet as measured along said south line from its intersection with the west line of Sixth Street, said point also being at the intersection of said north line with the center line of a party wall; thence with said north line North 81 degrees 09 minutes 59 seconds West 64.42 feet to its intersection with the east line of the tract conveyed to 621 West Main Street by deed of record in Deed Book 5274, Page 96 in the record in Deed Book 5274, Page 96 in the office of the Clerk of Jefferson County, Kentucky; thence with said east line North 08 degrees 47 minutes 18 seconds East 180.00 feet to its intersection with the south line of Washington Street, formerly known as Nelson Street; thence with said south line South 81 degrees 09 minutes 59 seconds East 63.09 feet to its intersection with the center line of the party wall aforesaid; thence with said center line South 09 degrees 00 minutes 14 seconds West 180.00 feet to the point of beginning, containing 11,296.6 square feet.

New Legal Description:

BEGINNING at a point in the north line of West Main Street 211.25 feet from the west line of North 6th Street; thence with said north line North 81 degrees 08 minutes 34 seconds West, 22.25 feet to the centerline of a party wall as described in Deed Book 5131, Page 863 of record in the Office of the Clerk of Jefferson County, Kentucky; thence leaving said north line with the centerline of said party wall North 08 degrees 47 minutes 18 seconds East, 180.00 feet to a point in the south line of West Washington Street; thence leaving said party wall with said south line South 81 degrees 08 minutes 35 seconds East, 22.25 feet to a point; thence leaving said south line South 08 degrees 47 minutes 18 seconds West, 180.00 feet to the point of BEGINNING, containing 4,005.00 Square Feet, more or less.

Also being Tract 2 of the property described in Deed Book 7653, Page 421 as follows:

Beginning on the North side of Main Street, 211 feet 3 inches West of Sixth Street; thence North parallel with Sixth Street, 180 feet to Nelson Street or alley; thence West with the south line of said Street or alley, 22 feet 3 inches to the center line of a party wall; thence with said center line Southwardly 180 feet to Main Street; thence East with the North side of Main Street, 22 feet 3 inches to the beginning, the East line lying between two walls, one of which is on this lot and the other on the lot adjoining on the East.

Being part of the property conveyed to The City of Louisville Parking Authority of River City (PARC), Inc., a Kentucky corporation, (now known as Parking Authority of River City, Inc.) by Deed dated May 23, 2001, recorded in Deed Book 7653, Page 421, in the Office of the Clerk of Jefferson County, Kentucky (Tract 1 and Tract 2 in said deed).

EXHIBIT B

Summary of Appraisal Report

[See next page]



FINAL VALUATION SUMMARIES:

**All Subject Sites (Tract E; assembled site Trs. F and G; Tract 2; assembled Trs. D-1 and D-2)
(Assumes Sites F & G and Tract 2 Have In-Place Easement for Pedestrian Access to Main Street)**

From Income Capitalization Approach:

Estimated Market Value of Tract E = \$ 107,000

From Sales Comparison Approach:

Estimated Market Value of assembled Tracts F and G \$ 3,700,000

Estimated Market Value of Tract 2 \$ 2,850,000

Estimated Market Value of assembled Tracts D-1 and D-2 \$ 1,500,000

TOTAL ESTIMATED MARKET VALUE OF ALL SUBJECT SITES

(Assumes Access Easements In-Place) = \$8,157,000

EIGHT MILLION ONE HUNDRED FIFTY SEVEN THOUSAND DOLLARS

**All Subject Sites (Tract E; assembled site Trs. F and G; Tract 2; assembled Trs. D-1 and D-2)
(Assumes Sites F & G and Tract 2 Do Not Have Easement for Pedestrian Access to Main Street)**

From Income Capitalization Approach:

Estimated Market Value of Tract E = \$ 107,000

From Sales Comparison Approach:

Estimated Market Value of assembled Tracts F and G \$ 2,580,000

Estimated Market Value of Tract 2 \$ 2,000,000

Estimated Market Value of assembled Tracts D-1 and D-2 \$ 1,500,000

TOTAL ESTIMATED MARKET VALUE OF ALL SUBJECT SITES

(Assumes No Access Easements) = \$6,187,000

SIX MILLION ONE HUNDRED EIGHTY SEVEN THOUSAND DOLLARS